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TAGS: PGOV PHUM KDEM VE  
SUBJECT: CHAVEZ V. CHAVEZ: WHAT'S HIS PLAN?

Classified By: Mark Wells, A/PolCouns, for Reasons 1.4(b) and (d).

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Summary  
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¶11. (C) President Hugo Chavez is in full campaign mode for the August 15 referendum on whether he should finish his term. Smarting from the moral defeat of having to accept the referendum, Chavez has recast the referendum as an inevitable victory for his revolution. His strategy rests on mobilizing lower class voters who have historically abstained from elections. Chavez is beefing up spending in his "mission" social programs and registering poor voters via a massive identity card drive. On the darker side, the GOV continues to harass opposition figures with flimsy criminal indictments and some detentions. Failing that, there is a bag of dirty tricks from which Chavez can draw to manipulate the electoral process. The campaign's best asset, of course, is Chavez himself, who remains a formidable communicator. End summary.

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Turning Defeat Into Victory  
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¶12. (C) President Hugo Chavez was politically damaged by the convocation of the recall referendum against him, currently planned for August 15. After vowing to his followers for more than a year that there would not be a referendum, Chavez surprised many by accepting the results of the signature drive mounted by the opposition to force the recall vote. Venezuela is thick with speculation over the fallout of Chavez's decision has had on his movement. Though some stars have fallen -- most notably those of the previous campaign committee Comando Ayacucho -- Chavez has already regrouped and re-launched his campaign under the direction of the "Comando Maisanta." (Chavez also called for one hundred thousand "electoral patrols" of citizens who will get out the vote.) Chavez claimed that the mere calling of a referendum provided for by his own Bolivarian Constitution is a victory for the participatory democracy espoused by his revolution.

¶13. (C) Fifth Republic Movement (MVR) Deputy Juan Barreto, himself a director in Comando Ayacucho, told poloff June 17 that Chavez is in full charge of the referendum campaign and is confident of a 65-35 percent defeat of the opposition at the polls. Barreto claimed, most convincingly, that the opposition had actually failed to obtain enough signatures to activate the referendum, and Chavez had given the National Electoral Council (CNE) the go-ahead to approve the referendum in order to deal a final blow to his political opponents. Barreto dismissed allegations that Chavismo is in disarray, though admitted that military supporters had opposed going to the referendum. Barreto said the Comando Maisanta is a front organization to put new faces out to the public, but asserted that Ayacucho political operatives (officials of the pro-Chavez parties) such as himself are quietly toiling away on the campaign.

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Turnout, Registration Are Key  
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¶14. (C) Barreto said that mobilizing lower class Venezuelans who historically have abstained from voting is the principal strategy for Chavez to win the referendum. The GOV is aiming for an abstention rate of just 20 percent, well below the rates of recent years. The pre-Chavez political system, Barreto said, discriminated against the poor by limiting the number of voting centers in their neighborhoods. He claimed, for example, that middle class Baruta municipality in Caracas with 70,000 voters had more than 30 voting centers while the nearby Sucre area with one million lower class voters was given only 24 voting centers. Barreto said the CNE would correct this problem when it issues the list of voting centers for the referendum. (Comment: The CNE agreed June 23 to add centers and expand others in poor areas. The transmission network for the voting centers is already being installed, suggesting the CNE may not be able to shift easily large numbers of voting centers out of upper class areas.)

15. (C) Barreto said the poor have also historically denied identity cards ("cedulas") due to costs associated with obtaining identity documents. Barreto said the GOV's "cedula express" program -- which utilizes mobile units to issue cards -- had issued two million cards to lower class voters since January, with the ambitious goal of four million cards by July 10, when the voter registration rolls are closed. Barreto said workers in the mobile units have been registering each cedula applicant in the electoral registry. He also said that Cuban doctors working in the "Barrio Adentro" program flag patients without cedulas. The patients, he said are later visited by members of the Francisco Miranda Front, the cadre of Venezuelan "social workers" trained in Cuba, to arrange their identity cards. (The CNE is also operating more than 600 registration sites around Venezuela.)

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Missions on Steroids  
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16. (C) In his rhetoric, Chavez is putting his populist programs such as Mission Robinson (literacy) and Mission Sucre (college scholarships) on the line. His message to voters is that the opposition will take away these programs if they return to power. To a considerable degree these missions have been thinly disguised transfer payments to his key low-income constituents. Chavez appears to be accelerating his efforts to put cash in the hands of would-be voters via the "Missions," though it is debatable how much more effectively these moneys can be distributed with less than two months remaining before the referendum. Chavez also has to deal with the curious fact that some 233,000 recipients of Mission benefits also signed the petition against him, suggesting that some votes, at least, are not for sale. Another explanation is that Mission rolls have been vastly exaggerated because of fraud or number padding by Mission administrators, suggesting that Chavez's support in the Missions is less than advertised.

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Running Against Uncle Sam  
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17. (C) Chavez's negative campaigning thus far has hit on the opposition as hapless agents of the USG. Chavez relishes in claiming his true opponent is President Bush. Barreto said that polls show the anti-U.S. message does not help and claimed the rhetoric would be softened. Chavez, however, shows no signs of lessening his accusations that the U.S. is an imperial power on the verge of invading Venezuela.

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Persecute The Opposition  
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18. (C) Questionable criminal indictments and detentions of opposition figures continue at a steady pace, evidence that the GOV will keep trying to discredit the opposition as undemocratic coup-plotters and try to keep key opposition leaders off-balance and preoccupied with their criminal defense. Recent victims of this tactic include Sumate directors Maria Corina Machado and Alejandro Plaz, Gente de Petroleo leader Juan Fernandez, Army Gen. Manuel Rosendo, and Asamblea de Educadores leader Leonardo Carvajal. Each plays a significant role in the Coordinadora Democratica (CD). Barreto claimed the GOV is attacking the leaders of the opposition's "Plan B," a civil rebellion to be launched, he said, after Chavez wins the referendum.

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Fraud and Manipulation  
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19. (C) Chavez may also resort to manipulation or just downright fraud. Chavez controls the CNE and has shown his willingness to change rules that do not favor him. He may

use this influence to delay the referendum (or the certification of its results) past August 19, when a presidential vacancy via recall would be filled by the Vice President. These tactics may be a last resort, once the results of the referendum are known but not certified. The new touch-screen electoral system may help facilitate fraud and manipulation. The CNE approved in record time the contract for the Smartmatic-led consortium, one of whose members, Bizta, had received startup capital from the GOV. The deal smells of corruption -- and possibly fraud -- and puts in doubt the security of the referendum process. We note that Chavez may not need to resort to fraud with the computerized system; an organizational and technical meltdown with the untested system could delay and possibly scuttle the referendum. A June 23 announcement by CNE Director Jorge Rodriguez that he planned to install a system to electronically fingerprint to ensure people vote just once is

also a concern for efficiency of the system.

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Violence To Intimidate, Deteriorate  
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¶10. (C) We also cannot rule out the use of violence to frustrate the opposition's preparations and intimidate voters. When the GOV realized the opposition was on the verge of a big win during the signature appeals, armed Chavez supporters menaced dozens of appeals centers and opposition information offices. For example, when the CNE projected on June 3 that the presidential referendum would take place, armed gangs (reportedly the Tupamaros) sacked private media offices and violently assaulted an opposition deputy. If as the referendum race unfolds it appears Chavez is headed for defeat, Chavez may unleash this kind of targeted violence on his opponents to destabilize the political situation, albeit at a high price in terms of the perception of legitimacy for his government, both domestically and abroad.

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Blindfold, Delay the Referees  
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¶11. (C) The CNE, Comando Maisanta, and GOV officials have called for strict limitations on international observers. Their argument is that observers have tried to undermine the authority of the CNE. In truth, the Chavistas were incensed at the observers' critical press statements, like those of Jimmy Carter just after the signature appeals process. Chavez supporters will try to suppress the observers' interaction with the press, limit their access to information, and invite a slew of sympathetic observers to offset any negative press. The CNE reportedly approved regulations June 23 that prohibit observers from making press statements, though the rules will not be finalized until officially published. The rules also reportedly establish a special committee to oversee international observers run by CNE Director Oscar Battaglini, an outspoken critic of the OAS/TCC missions.

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Charm Offensive: Coincidence?  
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¶12. (C) We are also suspect the GOV may be trying to look improve its image at home and abroad. Vice President Jose Vicente Rangel met with the Ambassador June 16, for the first time at Rangel's request. Rangel proposed that his chief of staff, Rene Arreaza, accompanied by MFA chief of staff Temir Porras, to visit Washington for meetings with the USG. In counter-terrorism, the GOV announced June 23 it had captured 21 alleged members of the FARC in Venezuelan territory who were returned to Colombian territory. On the drug front, the GOV said June 22 it had dismantled a drug cartel operating in the interior, resulting in cocaine seizures of 6,156 kilos. These events may be a coincidence, but it sounds like the GOV is following the advice of its Washington consultant on how to win friends and influence people.

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Comment  
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¶13. (C) The referendum pits Chavez against himself, an unenviable position for any politician. But while politically wounded, Chavez is far from finished. He is a tireless campaigner and talented communicator with nearly unlimited funds to spend over the next eight weeks. His formula for boosting voter participation appears sound. His populist message will probably not win over opponents but will be difficult to counter. Chavez's thin bench of political advisors has proven to be incompetent, and hesitant to give Chavez the unvarnished truth, as shown by the signature drive and appeals process. Hard-line and moderate supporters of Chavez will also continue to bicker among themselves. Chavez's campaign re-shuffling has not eliminated these problems; "Comando Maisanta" is the same "Comando Ayacucho" with an image makeover. Chavez is also prone to misreading political signs, especially where human rights and the international community are involved, which could hurt his domestic popularity. The most dangerous scenario may be that if Chavez wakes up late in the campaign and figures that he is losing, under which scenario recourse to blatant fraud and intervention may be his last option to stay in office.

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